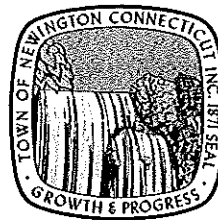


# TOWN OF NEWINGTON ANNUAL BUDGET

## Summary

Council Adopted  
Budget



2013-2014



Stephen Woods  
Mayor

# TOWN OF NEWINGTON

131 CEDAR STREET  
NEWINGTON, CONNECTICUT 06111

## OFFICE OF THE MAYOR

April 9, 2013

Dear Newington Resident and Taxpayer:

On behalf of the Town of Newington, we present the Town Council's Adopted Fiscal Year 2013-2014 budget for the General Government operations and the Board of Education. This budget is a particular challenge because it attempts to maintain the quality of services that town residents expect while at the same time recognizes that there are limited financial resources.

	FY 2012-13	FY 2013-14	\$ Change	% Change
Total Town Budget	\$103,441,941	\$106,058,696	\$2,616,755	2.5%

### Budget Overview

The 2.5% increase in the adopted FY2013–2014 budget is consistent with last year's budget increase of 2.5%. However, because there was virtually no growth in the grand list, state aid and other revenue sources, there is an increase of 3% in the tax rate compared to last year. As reflected below, the Town's tax base did not grow from October 2011. The effects of tax appeals completed this year reflect an approximate 1% reduction in the Town's Grand List. Because FY 2012-13 was a revaluation year, allowances were made for reductions in the Grand List for pending tax appeals which consequently mitigated the decline. Although there are some projects currently under construction, they will be reflected in next year's Grand List.

	FY 2012-13	FY 2013-14	\$ Change	% Change
Total Net Grand List	\$2,564,276,354	\$2,537,446,750	\$-26,828,604	-1.0%
Adjustments by BAA	-10,147,773		10,147,773	
Value of Legal Corrections	-36,500,000	-20,000,000	16,500,000	
Total Net Adjusted Grand List	\$2,517,628,581	\$2,517,446,750	-\$181,831	-0.1%

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### **General Government Expenditures**

The adopted Town Government Operations budget for FY 2013-2014 is \$30,790,517, an increase of \$314,261, or 1.0% from FY 2012-2013. The growth in expenditures is attributable to expected wage increases. It is important to point out that wage increases are accounted for in the Town Council contingency rather than included in the departmental budgets. IBPO Local 443 and administrative salaries included in the departmental budgets are based on FY 2012-13 rates while AFSCME Local 2930 and part-time wages are based on FY 2011-12 rates. Therefore, approximately two years of potential increases are included in the Town Council Contingency account.

### **Board of Education**

The adopted budget includes an increase in the Board of Education budget of \$2,749,285 or 4.3%. This is a significant increase over last year's appropriation increase of approximately \$1.8 million, but it should be noted that last year's appropriation contained no contractual salary increases for the teaching staff.

### **Metropolitan District Commission (MDC)**

The Town of Newington is a member of a regional authority that provides water and waste water (sewer) service to the Town of Newington and seven other regional entities. The MDC funding for FY2013-14 is \$3,102,250, an increase of \$150,250 or 5.09% which is significant compared to the prior year's increase.

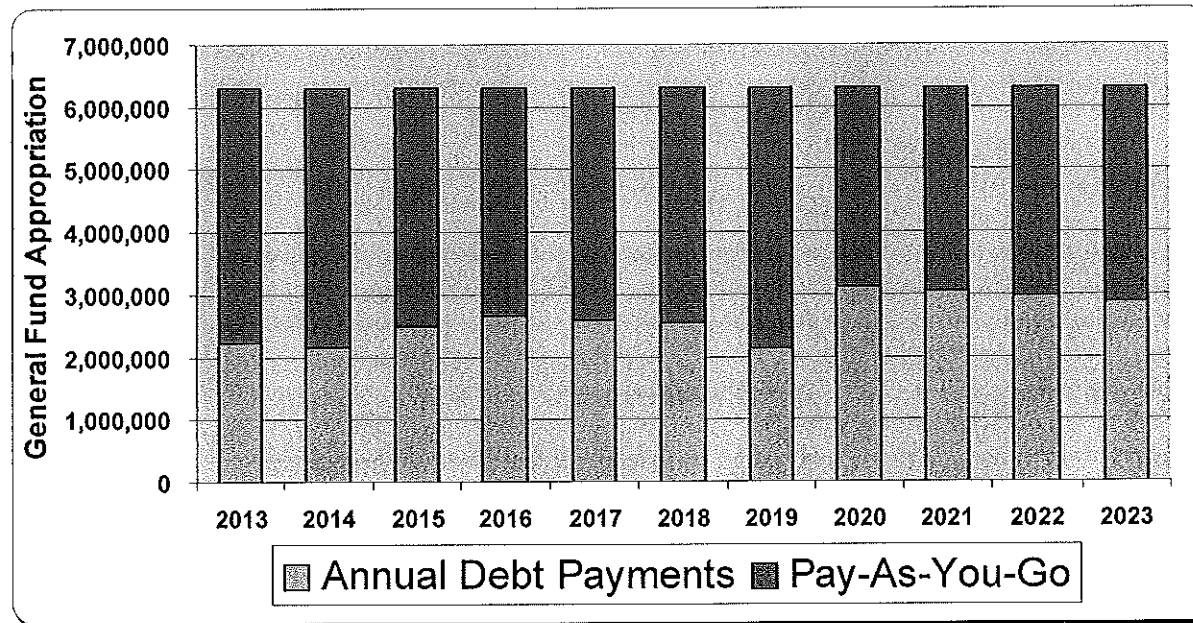
### **Debt Service**

There is one significant reduction in debt service. Due to the refinancing of our long-term debt with favorable borrowing interest rates, the Town will have a one-year reduction of approximately \$760,000.

### **Capital Improvement Program (CIP)**

The Town instituted a Capital Improvement Program funding plan which is based on the maximum future debt service of \$3.8 million plus annual depreciation level of \$2.5 million for a total of \$6.3 million for Pay-As-You-Go funding combined with Debt financing. Therefore, the Town of Newington continues to fund its capital projects consistently.

The chart below illustrates that future borrowing will not increase the budget. In addition to the Pay-As-You-Go projects, Newington will be working on a long-range plan for Town Hall and Mortensen Center renovations. This long-range planning will not affect the adopted budget as funds are included in previous budgets to accomplish this task.



The adopted Capital Improvement Program for FY 2013–2014 is as follows:

Project Title	\$
General Property Improvements	110,000
Senior and Disabled Roof Replacement with Extension	755,500
Senior and Disabled Center HVAC	85,000
Town Buildings Mechanical Reserve	35,000
Information Technology Reserve	345,000
Police Records Management & CAD Replacement	50,000
Radio Replacement Reserve	40,000
Fire Company 1 Resurfacing of Bay Floor	85,000

Fire Co. 1 Replacement Emergency Generator	41,000
Sidewalk and Stone Wall Repair	50,000
Public Building Resurfacing Program	75,000
Single Stream Recycling Containers Lease Payment	111,594
Traffic Signal Replacement Reserve	25,000
Landfill Conversion to Transfer Station	25,000
Marcap Property Acquisition	569,600
Library Automated Collection Management System Phase I	65,561
Mill Pond Park Renovation Study	32,552
Park & Playfield Improvements	100,000
Equipment Replacement Reserve	301,948
<b>Total Town Share</b>	<b>2,902,755</b>
Public School Capital Improvement Project Reserve Fund	125,000
STEM Academy JW/MK & NHS Career/ Technical	1,000,000
NHS Music Wing/Air Conditioning (Auditorium)	472,648
<b>Total Education Share</b>	<b>1,597,648</b>
<b>Grand Total</b>	<b>4,500,403</b>

### Revenues

As previously noted, the FY 2013-2014 adopted budget includes a significant decrease in the amount of State aid. The Town needs to monitor these levels closely as the fiscal year progresses. The revenues to finance the adopted budget come from the following sources:

Type	\$	%
Property Tax	83,480,818	78.7
Non-Tax Revenue	20,327,878	19.2
General Fund Balance	2,250,000	2.1
<b>TOTAL</b>	<b>106,058,696</b>	<b>100.0</b>

### **Municipal Aid**

The Governor's proposed budget made significant adjustments in aid to municipalities. It is very difficult to compare FY 2012-2013 revenue with the adopted FY 2013-2014. The chart below illustrates the changes which overall creates a net decrease in General Fund revenue. While it appears there is a dramatic increase in the Education Cost Sharing grant, it is merely a shifting of resources. The other significant change is the decrease in School Building Grants as this funding source fluctuates from year to year based on capital expenditures for which reimbursements are made.

<b>State of Connecticut Statutory Formula Grants</b>			
<b>Revenue Source</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>Change</b>
State-Owned PILOT	648,416		(648,416)
Tax Exempt Colleges & Hospital PILOT	1,367,680	1,754,064	386,384
Mashantucket Pequot Fund	243,780		(243,780)
Municipal Revenue Sharing	1,038,231		(1,038,231)
Town Aid Road Grant	35,000	416,275	381,275
Transportation-Public	207,819		(207,819)
Education Cost Sharing Grant	12,895,927	13,623,576	727,649
Hold Harmless Grant		561,102	561,102
<b>Total</b>	<b>16,436,853</b>	<b>16,355,017</b>	<b>(81,836)</b>
School Building Grants	875,000	325,000	(550,000)

### **Fund Balance**

The FY 2013-2014 budget applies \$2,250,000 from the General Fund balance, the same amount as in FY 2012-2013. This will leave an estimated unassigned fund balance as of June 30, 2013 of approximately 11.9% of the FY 2013-2014 total appropriations. This level is consistent with parameters established by the credit rating industry and sound fiscal policy. It is important to note that the projected surplus for FY 2012-2013 will be less than FY 2011-2012, therefore, the fund balance will not be replaced by the surplus to the extent of previous years. It is prudent to maintain this fund balance for future fiscal years' budgets.

### **Grand List**

The October 1, 2012 Grand List for Newington shows a net decrease of \$26,829,604 or 1.0% below the 2011 net Grand List. This reduction is due to a number of events but primarily attributable to corrections due to a declining real estate market relative to the 2011 revaluation. This decrease is mitigated by adjustments that were made to the 2011 Grand List coupled with an increased

reduction due to legal actions that were utilized to develop the FY 2012-2013 budget. The 2012 Grand List is subject to further adjustments by the Board of Assessment Appeals and pending and future court cases.

NET GRAND LIST				
CATEGORY	2011	2012	% CHANGE	\$ CHANGE
REAL ESTATE	\$2,213,614,991	\$2,188,702,373	-1.1	\$-24,912,618
PERSONAL PROPERTY	134,169,320	134,889,100	0.5	719,780
MOTOR VEHICLE	<u>216,492,043</u>	<u>213,855,277</u>	-1.2	<u>-2,636,766</u>
TOTAL	\$2,564,276,354	\$2,537,446,750	-1.0	\$- 26,828,604

### **Real Estate**

The net real estate Grand List decreased from \$2,213,614,991 to \$2,188,702,373, a decrease of (\$24,912,618) or (1.1%). Following the 2011 revaluation, adjustments were due to court appeals, Board of Assessment Appeals, increased exemptions, and acquisitions of real property by the Town of Newington. The changes to the real estate sector are illustrated in the table below:

#### **Summary of Significant Real Estate Changes to 2012 Grand List**

129 Properties with improvements	\$+2,020,000
Court Appeals	-13,065,000
Board of Assessment Appeals	-10,148,000
Marcap Acquisition	-1,800,000
Exemptions	-1,600,000
Revaluation Adjustments	-320,000
Total	\$-24,913,000

### **Personal Property**

The personal property component of the 2012 Grand List experienced an increase of \$719,780 or 0.5% above the 2011 Grand List on a net basis. The gross Grand List before exemptions actually increased over 2011 by \$16,153,820. There were 58 new accounts

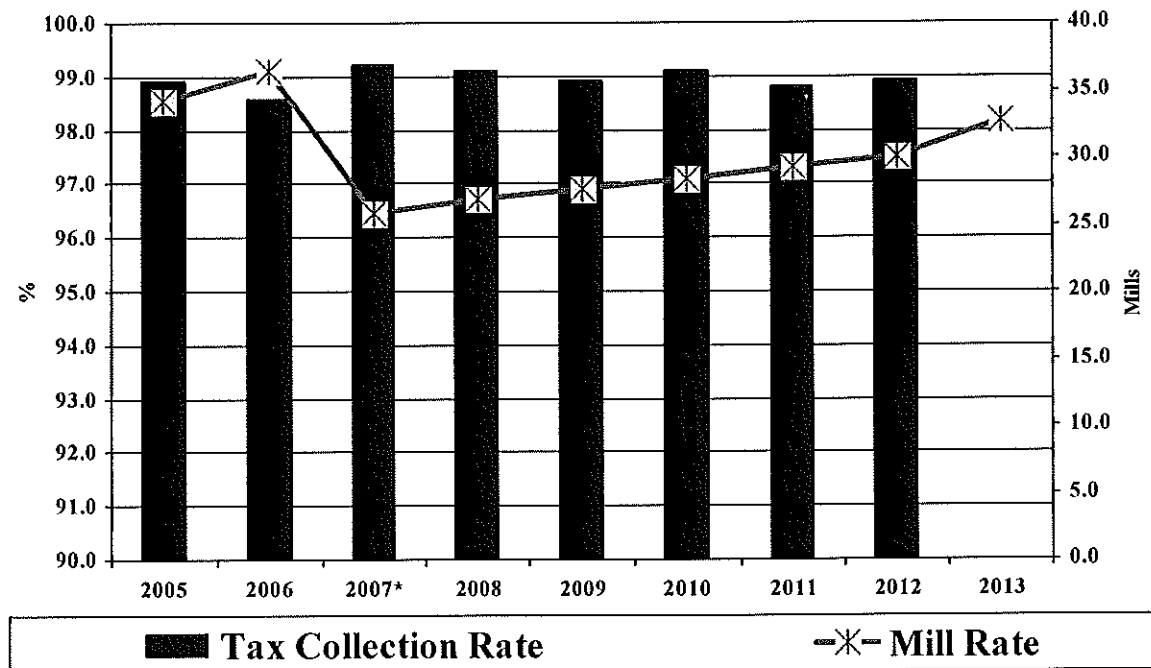
added for 2012. Exemptions for newly acquired manufacturing equipment and other exempt categories increased from \$52.7 million to \$68.2 million or by nearly 30%. This appears positive on the surface and it reflects positive growth by the business community in Newington. In the past this exemption was reimbursed at 80% of the tax loss by the State of Connecticut. The grant to the Town of Newington under prior calculations would have been \$1,780,838, but has been eliminated under the Governor's proposed budget. This equates to a loss in revenue to the Town of Newington of just over one-million dollars. This means that even though new manufacturing could come to the Town, any equipment associated with the new industry would become exempt under State law.

### Motor Vehicles

The 2012 motor vehicle component of the grand list decreased by \$2.6 million dollars from the 2011 grand list. There were 220 fewer vehicles and the average value-per-vehicle decreased for the 2012 grand list. It is important to note that under the Governor's budget, all motor vehicles valued \$28,000 or less would not be taxed by the Town of Newington. This exemption would reduce the Town's revenue from property taxes by over \$7,000,000. Much of this reallocation would fall to commercial and residential property owners. At this point the Governor's proposal is not included in the Town Manager's budget.

### Mill Rate

Effective with the October 1, 2012 taxable Grand List, the adopted mill rate for FY 2013-2014 is 33.63 mills, an increase of .99 mills or 3.0%. The chart below shows the Town's history of gradual mill rate increases over the past seven years:





## **Conclusion**

My appreciation goes to all who assisted in the preparation of the budget proposal, including staff, boards, commissions and other interested parties. Particular thanks goes to Town Manager John Salomone, Finance Director Ann Harter, Deputy Finance Director Lisa Rydecki and Executive Assistant Jaime Trevethan, whose tireless work made this budget possible

Very truly yours,

Stephen Woods  
Mayor

2011-2012 REVISED BUDGET	2012-2013 REVISED BUDGET	TOWN OF NEWINGTON  GENERAL FUND BUDGET SUMMARY	2013-2014		\$ CHANGE FROM PREVIOUS BUDGET	PERCENT CHANGE FROM PREVIOUS BUDGET
			MANAGER PROPOSED	TOWN COUNCIL ADOPTED		
		BUDGET APPROPRIATIONS:				
29,720,012 1,700,000	30,476,256	Town Government Operations Storm Alfred	31,501,836	30,790,517	314,261	1.03%
61,576,654	63,347,585	Board of Education Operations	67,144,086	66,096,870	2,749,285	4.34%
2,894,900	2,952,000	Metropolitan District Comm. Payment	3,102,250	3,102,250	150,250	5.09%
582,234	567,559	Debt Service - Town's Share(1)	232,943	232,943	-334,616	-58.96%
1,730,031	1,668,113	Debt Service - Education's Share(1)	1,242,813	1,242,813	-425,300	-25.50%
2,536,412	2,564,328	Capital Improvements & Equip. Res. - Town's Share(2)	2,602,755	2,602,755	38,427	1.50%
1,773,450	1,775,000	Capital Improvements - Education's Share(2)	1,897,648	1,897,648	122,648	6.91%
67,000	68,300	Empl. Leave Liability Res. Fund (3)	69,700	69,700	1,400	2.05%
<u>22,300</u>	<u>22,800</u>	Empl. Leave Liability Res. Fund - Education's Share(3)	<u>23,200</u>	<u>23,200</u>	<u>400</u>	1.75%
102,602,993	103,441,941	TOTAL APPROPRIATIONS - TOWN AND BOARD	107,817,231	106,058,696	2,616,755	2.53%
20,265,264	20,238,603	LESS: Estimated Revenues from Non-Tax Sources	19,628,213	20,327,878	89,275	0.44%
2,000,000 1,700,000	2,250,000	LESS: General Fund Balance Applied Special Appropriation Applied	2,250,000	2,250,000	0	0.00%
78,637,729	80,953,338	AMOUNT TO BE RAISED BY CURRENT TAXES	85,939,018	83,480,818	2,527,480	3.12%
2,679,238,211 20,000,000	2,554,128,581 36,500,000	NET GRAND LIST LESS: Est. Value of Legal Corrections & Exemptions	2,537,446,750 20,000,000	2,537,446,750 20,000,000	-16,681,831	
2,659,238,211	2,517,628,581	NET ADJUSTED GRAND LIST	2,517,446,750	2,517,446,750	-181,831	
2,619,349,638	2,479,864,152	NET ADJUSTED COLLECTIBLE GRAND LIST	2,479,685,049	2,482,202,496	2,338,344	0.09%
		(\$ VALUE OF ONE MILL = \$2,482,202)				
30.02	32.64	MILL RATE	34.66	33.63	0.99	3.03%

(1)Total Debt Service appears on page 11 of Gen. Govt. operations summary

(2)Total CIP appears on page 11 of Gen. Govt. operations summary

(3)Total ELLR appears on page 11 of Gen. Govt. operations summary

# TOWN APPROPRIATIONS SUMMARIES

FUNCTION	ACTIVITY	PROGRAM
Town Government Operations	Summary	

						Change from revised budget	
2011-2012 Actual	2012-2013 Original Budget	2012-2013 Revised Budget	BUDGET APPROPRIATIONS	2013-2014 Manager Proposed	2013-2014 Council Adopted	\$	%
<u>Object Summary</u>							
14,245,751	14,491,389	14,456,379	100 Personal Services	14,682,158	14,637,210	180,831	1.25%
13,935,506	13,749,865	13,776,874	200 Contractual Services	14,475,885	13,906,949	130,075	0.94%
1,434,324	1,540,670	1,546,671	300 Materials and Supplies	1,643,544	1,546,109	-562	-0.04%
456,120	332,569	334,569	400 Capital Outlay	338,486	338,486	3,917	1.17%
271,658	361,763	361,763	500 Transfers to Other Funds	361,763	361,763	0	0.00%
30,343,359	30,476,256	30,476,256	TOTAL	31,501,836	30,790,517	314,261	1.03%
4,011,068	4,360,206	4,360,206	100 General Government	4,487,480	4,516,605	156,399	3.59%
7,533,656	7,682,013	7,682,013	200 Public Safety	7,685,402	7,685,402	3,389	0.04%
6,274,669	4,874,759	4,874,759	300 Public Works	4,906,936	4,809,501	-65,258	-1.34%
423,034	443,023	443,023	400 Community Planning & Development	458,079	458,079	15,056	3.40%
121,604	134,320	134,320	500 Public Health	144,355	144,355	10,035	7.47%
969,736	984,797	984,797	600 Community Services	992,719	992,719	7,922	0.80%
1,668,073	1,676,218	1,676,218	700 Public Library	1,688,808	1,688,808	12,590	0.75%
1,570,729	1,578,547	1,578,547	800 Parks & Recreation	1,591,547	1,556,474	-22,073	-1.40%
7,770,790	8,742,373	8,742,373	900 Insurance-Miscellaneous	9,546,510	8,938,574	196,201	2.24%
30,343,359	30,476,256	30,476,256	TOTAL	31,501,836	30,790,517	314,261	1.03%

FUNCTION	ACTIVITY	PROGRAM
Total Appropriations - Town and Board	Summary	

2011-2012 Actual	2012-2013 Original Budget	2012-2013 Revised Budget	BUDGET APPROPRIATIONS	2013-2014 Manager Proposed	2013-2014 Council Adopted	Change from revised budget	
						\$	%
			0100 General Government				
28,589	49,426	49,426	0110 Town Council	51,096	51,096	1,670	3.38%
361,123	360,635	360,635	0120 Town Manager	386,058	386,058	25,423	7.05%
31,713	31,000	31,000	0130 Courts	35,305	35,305	4,305	13.89%
123,359	114,432	114,432	0140 Elections	117,334	117,334	2,902	2.54%
1,055,932	1,128,467	1,128,467	0150 Finance	1,157,617	1,188,617	60,150	5.33%
132,000	130,200	130,200	0160 Town Attorney	130,200	130,200	0	0.00%
165,279	166,695	166,695	0170 Town Clerk	175,481	175,481	8,786	5.27%
45,493	45,206	45,206	0180 Personnel	49,206	49,206	4,000	8.85%
2,067,580	2,334,145	2,334,145	0190 General Services	2,385,183	2,383,308	49,163	2.11%
4,011,068	4,360,206	4,360,206	TOTAL	4,487,480	4,516,605	156,399	3.59%
			0200 Public Safety				
6,341,472	6,443,356	6,443,356	0210 Police Department	6,465,500	6,465,500	22,144	0.34%
750,861	806,687	806,687	0230 Fire Department	802,932	802,932	-3,755	-0.47%
314,527	340,000	340,000	0250 Street Lighting	325,000	325,000	-15,000	-4.41%
36,581	50	50	0260 Emergency Management	50	50	0	0.00%
28,645	30,000	30,000	0270 Emergency Medical Services	30,000	30,000	0	0.00%
61,570	61,920	61,920	0280 Hydrants	61,920	61,920	0	0.00%
7,533,656	7,682,013	7,682,013	TOTAL	7,685,402	7,685,402	3,389	0.04%
			0300 Public Works				
228,311	250,735	250,735	0310 Engineering	265,686	265,686	14,951	5.96%
3,913,182	2,493,865	2,493,865	0320 Highway Department	2,616,794	2,519,359	25,494	1.02%
2,133,176	2,130,159	2,130,159	0350 Solid Waste Services	2,024,456	2,024,456	-105,703	-4.96%
6,274,669	4,874,759	4,874,759	TOTAL	4,906,936	4,809,501	-65,258	-1.34%
			0400 Community Planning & Development				
229,977	219,471	219,471	0420 Planning and Development	216,784	216,784	-2,687	-1.22%
16,007	17,384	17,384	0430 Town Plan and Zoning	17,379	17,379	-5	-0.03%
1,884	2,833	2,833	0440 Zoning Board of Appeals	2,833	2,833	0	0.00%
170,058	169,673	169,673	0450 Building Department	172,649	172,649	2,976	1.75%
3,557	3,825	3,825	0460 Conservation Commission	3,825	3,825	0	0.00%
1,552	29,837	29,837	0470 Economic Development	44,609	44,609	14,772	49.51%
423,035	443,023	443,023	TOTAL	458,079	458,079	15,056	3.40%

FUNCTION	ACTIVITY	PROGRAM
Total Appropriations - Town and Board	Summary	

2011-2012 Actual	2012-2013 Original Budget	2012-2013 Revised Budget	BUDGET APPROPRIATIONS	2013-2014 Manager Proposed	2013-2014 Council Adopted	Change from revised budget	
						\$	%
			0500 Public Health				
121,604	134,320	134,320	0510 Health Services	144,355	144,355	10,035	7.47%
121,604	134,320	134,320	TOTAL	144,355	144,355	10,035	7.47%
			0600 Community Services				
460,582	444,855	444,855	0610 Human Services	444,366	444,366	-489	-0.11%
501,256	530,558	530,558	0640 Senior and Disabled Center	538,969	538,969	8,411	1.59%
7,898	9,384	9,384	0670 Boards and Commissions	9,384	9,384	0	0.00%
969,736	984,797	984,797	TOTAL	992,719	992,719	7,922	0.80%
			0700 Public Library				
1,668,059	1,676,188	1,676,188	0710 Library Operations	1,688,778	1,688,778	12,590	0.75%
14	30	30	0730 Hubbard Book Fund	30	30	0	0.00%
1,668,073	1,676,218	1,676,218	TOTAL	1,688,808	1,688,808	12,590	0.75%
			0800 Parks & Recreation				
342,800	346,967	346,967	0810 Parks & Recreation Administr.	352,811	319,288	-27,679	-7.98%
25,658	0	0	0820 Recreation	0	0	0	#DIV/0!
1,202,271	1,231,580	1,231,580	0830 Grounds Maintenance	1,238,736	1,237,186	5,606	0.46%
1,570,729	1,578,547	1,578,547	TOTAL	1,591,547	1,556,474	-22,073	-1.40%
			0900 Insurance - Miscellaneous				
856,316	1,069,408	1,069,408	0910 Municipal Insurance	1,080,360	1,080,360	10,952	1.02%
2,930	2,930	2,930	0930 Greater Hlfd. Transit District	2,930	2,930	0	0.00%
6,844,213	7,215,235	7,215,235	0940 Employee Benefits	7,780,877	7,172,941	-42,294	-0.59%
20,000	20,000	20,000	0950 Special Community Activities	20,000	20,000	0	0.00%
47,330	434,800	434,800	0960 Contingency	662,343	662,343	227,543	52.33%
7,770,789	8,742,373	8,742,373	TOTAL	9,546,510	8,938,574	196,201	2.24%

FUNCTION	ACTIVITY		PROGRAM	
Total Appropriations - Town and Board	Summary			

2011-2012 Actual	2012-2013 Original Budget	2012-2013 Revised Budget	BUDGET APPROPRIATIONS	2013-2014 Manager Proposed	2013-2014 Council Adopted	Change from revised budget	
						\$	%
			1000 Debt Service				
487,265	435,672	435,672	1010 Interest Expense	232,943	232,943	-202,729	-46.53%
1,825,000	1,800,000	1,800,000	1020 Principal Payments	1,242,813	1,242,813	-557,187	-30.95%
2,312,265	2,235,672	2,235,672	TOTAL	1,475,756	1,475,756	-759,916	-33.99%
			1050 Metropolitan District				
2,894,900	2,952,000	2,952,000	1051 MDC Assessment	3,102,250	3,102,250	150,250	5.09%
2,894,900	2,952,000	2,952,000	TOTAL	3,102,250	3,102,250	150,250	5.09%
			1100 Capital Improvements				
4,293,995	3,936,961	3,936,961	1100 Capital Improvements Program	4,198,455	4,198,455	261,494	6.64%
4,293,995	3,936,961	3,936,961	TOTAL	4,198,455	4,198,455	261,494	6.64%
			2000 Equipment Reserve				
302,367	402,367	402,367	2500 Equipment Reserve CIP	301,948	301,948	-100,419	-24.96%
302,367	402,367	402,367	TOTAL	301,948	301,948	-100,419	-24.96%
			3000 Employee Leave Liability				
22,300	22,800	22,800	3100 ELLF-Board of Education	23,200	23,200	400	1.75%
67,000	68,300	68,300	3200 ELLF-Town Operations	69,700	69,700	1,400	2.05%
89,300	91,100	91,100	TOTAL	92,900	92,900	1,800	1.98%
			4000 Board of Education				
61,297,990	63,347,585	63,347,585	4000 Board of Education	67,144,086	66,096,870	2,749,285	4.34%
61,297,990	63,347,585	63,347,585	TOTAL	67,144,086	66,096,870	2,749,285	4.34%
101,534,176	103,441,941	103,441,941	GRAND TOTALS	107,817,231	106,058,696	2,616,755	2.53%

## GENERAL FUND REVENUES



## EXPLANATION OF GENERAL FUND REVENUES

### 5000 Taxes

The current levy for FY 2013-14 is based on the Net Grand List (prior to the Board of Assessment Appeals review) of all taxable property located in the Town as of October 1, 2012. The amount to be raised by taxes of \$83,480,818 is equal to budget appropriations for Town Government and Board of Education operations less estimated receipts from non-tax sources and appropriated fund balance. The mill rate (taxes per \$1000 of assessed value) is then calculated using the October 1, 2012 Net Grand List of \$2,537,446,750, less estimated legal exemptions and deductions of \$20,000,000, and an estimated tax collection rate of 98.6%. The mill rate for FY 2013-14 is 33.63, an increase of .99 mills from the FY 2012-13 mill rate of 32.64, or 3.03%. The calculation of the mill rate is presented on page 1 and explained on page xii.

Supplemental motor vehicle taxes are based on vehicles expected to be registered in Newington during the interim period of October 2, 2012 to August 1, 2013; i.e., after the Grand List of October 1, 2012 is set. This account is down by \$70,000 as it is anticipated that the Town will not experience the same vehicle purchases with the current supplemental list. Property categorized as prorated during the interim period will be reflected in the October 1, 2012 Grand List and included in the current levy for the next fiscal year. Prorated real estate taxes are paid on new construction receiving a Certificate of Occupancy after October 1, 2012. It is estimated \$50,000 will be received from this source in FY 2013-14. As with prorated motor vehicles, these properties will be fully reflected in the October 1, 2012 Grand List.

Revenue from delinquent taxes is down by \$134,000 from FY 2012-13 estimates due to a one-time significant affect of the tax sale during FY 2012-13. Prior year taxes are the anticipated collections of delinquent taxes due from previous fiscal years. Interest payments and liens collected are related to the amount of prior year taxes collected. The related interest rate is charged on outstanding balances at 18% per year in accordance with State Statutes.

### 5100 Payments in Lieu of Taxes (PILOTs)

PILOTs are designed to partially replace tax revenues that were once received or would have been received if the property were taxable. Examples of State-administered PILOTs include general hospitals in Newington, State property in Newington, and tax exemptions for low-income elderly and disabled residents.

Per Governor Malloy's proposed budget, the reimbursement for State-owned real property in the amount of \$639,581 is eliminated. This has been folded into the Education Cost Sharing (ECS) Grant (6062).

The private hospital reimbursement is calculated at 77% by Statute but contains an incremental reimbursement factor of 70% which is applied to the 2011 Grand List exempt value of real estate.

Overall the Town expects to receive approximately \$287,000 less revenue in FY 2013-14 in total for this category.

Estimates of these State grants and others utilize Governor Malloy's proposed FY 2013-14 budget.

2011-2012	2012-2013	2012-2013			2013-2014	2013-2014	Change from estimated budget	
Actual	Council Adopted	Estimated	Revenue Source		Manager Proposed	Council Adopted	\$	%
TAXES								
79,215,268	80,953,338	80,953,338	5001	Current Levy	85,939,018	83,480,818	2,527,480	3.1%
670,825	600,000	750,000	5002	Prorated Motor Vehicles	600,000	680,000	(70,000)	-9.3%
3,253	50,000	7,500	5003	Prorated Real Estate	50,000	50,000	42,500	566.7%
624,181	390,000	574,821	5004	Prior Year Tax Levies	390,000	440,000	(134,821)	-23.5%
382,319	265,000	296,500	5005	Interest & Liens	265,000	320,000	23,500	7.9%
80,895,846	82,258,338	82,582,159	SUBTOTAL		87,244,018	84,970,818	2,388,659	2.9%
PILOTS								
649,450	648,416	639,581	5101	State-Owned PILOT	-	-	(639,581)	-100.0%
12,000	12,000	8,000	5104	Elderly Freeze Exemption	8,000	8,000	0	0.0%
5,091	5,090	5,568	5105	Disabled Exemption	5,568	5,568	0	0.0%
255,307	255,307	266,627	5106	Elderly Circuit Breaker	255,307	255,307	(11,320)	-4.2%
27,808	27,808	27,985	5107	Add'l Veteran's Exemption	27,808	27,808	(177)	-0.6%
1,367,680	1,367,680	1,390,113	5109	Tax Exempt Colleges & Hospital	1,754,064	1,754,064	363,951	26.2%
2,317,336	2,316,301	2,337,874	SUBTOTAL		2,050,747	2,050,747	(287,127)	-12.3%

#### 5300 Licenses and Permits

The largest item under the Licenses and Permits category is building permits. Building permit income is estimated at \$250,000, a decrease from the estimated level in FY 2012-13 due to the lack of large projects to be inspected in FY 2013-14.

#### 5400 Rentals

This category reflects revenues the Town receives from rental payment for use of its property including the Town Hall, the Senior and Disabled Center, the Newington High School cell tower land lease agreement and the Indian Hill Country Club. Income at IHCC of \$101,245 reflects the PILOT on the property.

#### 5500 Investment Income

The Interest Earnings category reflects income earned from temporary investments made when the Town's cash in a given period exceeds the Town's immediate disbursement needs. Due to actions of the Federal Reserve, short term interest rates are forecast not to increase causing the estimate for FY 2013-14 to remain the same over the FY 2012-13 revised estimate of \$30,000.

#### 5600 Fines

This revenue category includes revenues received from parking fines and false alarms. Income from these sources is estimated at \$40,000.

2011-2012 Actual	2012-2013 Council Adopted	2012-2013 Estimated	Revenue Source	2013-2014 Manager Proposed	2013-2014 Council Adopted	Change from estimated budget	
						\$	%
LICENSES & PERMITS							
260,000	150,000	300,000	5301 Building Permits	250,000	250,000	(50,000)	-16.7%
615	700	700	5302 Vendor's Permits	700	700	0	0.0%
8,470	5,025	10,540	5305 Gun Permits	5,025	5,025	(5,515)	-52.3%
190	500	500	5306 Raffle & Bingo Permits	500	500	0	0.0%
8,450	7,500	7,500	5308 Work Within Rights of Way	7,500	7,500	0	0.0%
1,440	1,500	1,500	5310 Refuse Handling Licenses	1,500	1,500	0	0.0%
279,165	165,225	320,740	SUBTOTAL	265,225	265,225	(55,515)	-17.3%
RENTALS							
3,408	3,600	3,600	5402 Town Hall Rental Receipts	3,600	3,600	0	0.0%
88,259	93,345	95,961	5403 Indian Hill Country Club	101,254	101,254	5,293	5.5%
42,307	40,000	40,000	5404 Other Town Property	40,000	40,000	0	0.0%
133,974	136,945	139,561	SUBTOTAL	144,854	144,854	5,293	3.8%
INVESTMENT INCOME							
67,452	100,000	30,000	5501 Interest Earnings	30,000	30,000	0	0.0%
67,452	100,000	30,000	SUBTOTAL	30,000	30,000	0	0.0%
FINES							
30,235	20,000	33,843	5602 Parking Tickets	20,000	25,000	(8,843)	-26.1%
12,276	15,000	15,000	5603 False Alarms	15,000	15,000	0	0.0%
80,500			5604 Ambulance Response Overages			0	***
123,011	35,000	48,843	SUBTOTAL	35,000	40,000	(8,843)	-18.1%

#### 5700 Charges for Services

This revenue category includes fees and charges for various services as outlined in the Newington Code of Ordinances. It includes items such as library overdue fines, Dial-a-Ride trip fees, fees collected for the family counseling program, Police Department fees, application fees to various Town commissions and recording fees of the Town Clerk function.

The largest revenue source in this category are the Town Clerk fees estimated at \$445,000 which include fees collected for land conveyances, deeds recorded, and vital statistics. Estimates for conveyance tax revenue, the main source for this account, are based on the \$2.50 per thousand rate. All other revenues in this category remain constant with FY 2012-13 levels.

#### 5800 Refunds and Reimbursements

The Refunds-Town line item includes miscellaneous reimbursements for Town expenditures. Refunds-Schools includes miscellaneous reimbursements for school expenditures. Due to the vendor change for recyclables, it is anticipated the Town will receive a rebate for 3,000 tons of recyclables at a rate of \$22.50 per ton.

#### 5900 Sale of Town Property

This category includes proceeds from the sale of Town-owned property. No increase in revenue is estimated in this account in FY 2013-14.

2011-2012 Actual	2012-2013 Council Adopted	2012-2013 Estimated	Revenue Source	2013-2014 Manager Proposed	2013-2014 Council Adopted	Change from estimated budget	
						\$	%
CHARGES FOR SERVICES							
8,208	3,500	10,000	5702 Conservation Commission	3,500	3,500	(6,500)	-65.0%
300	500	500	5703 Zoning Board of Appeals	500	500	0	0.0%
10,200	9,000	9,000	5704 Town Planning & Zoning	9,000	9,000	0	0.0%
375,335	375,000	480,000	5705 Town Clerk Fees	445,000	445,000	(35,000)	-7.3%
8,749	8,000	8,000	5706 Police	8,000	8,000	0	0.0%
25,538	25,000	25,000	5707 Human Services-Counseling Fee	25,000	25,000	0	0.0%
26,506	28,000	28,000	5708 Library - Overdue Fines	28,000	28,000	0	0.0%
4,461	4,700	4,700	5709 Dial-A-Ride Tickets	4,700	4,700	0	0.0%
1,317	1,000	1,000	5711 Engineering Fees	1,000	1,000	0	0.0%
28,088	25,000	25,000	5712 Scrap Metal Curbside	25,000	25,000	0	0.0%
60	100	100	5714 Senior & Disabled Center Fees	100	100	0	0.0%
-	50	-	5716 Library-Business Directory	-	-	0	***
120	150	150	5718 Library-out-of state loans	150	150	0	0.0%
488,882	480,000	591,450	SUBTOTAL	549,950	549,950	(41,500)	-7.0%
REFUNDS & REIMBURS.							
7,592	10,325	10,325	5802 Refunds-Town	10,325	10,325	0	0.0%
26,872	10,000	10,000	5803 Refunds-Schools	10,000	10,000	0	0.0%
3,422	4,000	4,000	5821 Library-Lost/Replaced Bks.	-	-	(4,000)	-100.0%
-	67,500	67,500	5822 Recycling Rebates	67,500	67,500	0	0.0%
37,886	91,825	91,825	SUBTOTAL	87,825	87,825	(4,000)	-4.4%
SALE-TOWN PROPERTY							
265	200	200	5904 Library-Sale of Diskettes	200	200	0	0.0%
265	200	200	SUBTOTAL	200	200	0	0.0%

#### 6000 State Aid

As previously noted, estimates of grants from the State were obtained from the Governor's 2013-14 proposed budget. The State Aid category includes all General Fund revenues from the State that are not included in the State PILOT category (#5100). Several of the municipal aid grants are proposed to be restructured creating this category to show an overall decrease of \$102,979 from FY 2012-13 estimated levels.

Significant fluctuations include the elimination of the Mashantucket Pequot Grant, Municipal Revenue Sharing Grant and the Public Transportation Grant for a total decrease of \$1,439,875 from FY 2012-13 estimated levels. Offsetting the elimination of these grants is an increase in the Town Aid Road Grant which is now reflected in the General Fund for FY 2013-14 in its entirety or an increase of \$381,275. This grant compensates towns for labor and material costs associated with road maintenance including the plowing of snow, the sanding of icy pavements, installation and maintenance of traffic signs. Additionally, in order to insure that no municipality receives less money than in FY 2012-13, a new municipal aid adjustment grant, Hold Harmless, is established with a funding level of \$561,102.

The Education Cost Sharing (ECS) Grant is based on a State distribution formula. This grant increases by \$727,649 to a level of \$13,623,576 as provided in the Governor's budget.

In FY 2013-14, \$325,000 is expected from School Building Grant revenues for the Newington High School Code Compliance Project.

#### 6100 Federal Aid

Revenue to the Town from the federal government is estimated to decrease by approximately \$25,804. This is due to a one-time revenue source, Education Jobs Fund Program, which will not be realized in FY 2013-14 and a decrease of \$14,892 in storm reimbursement from FEMA.

2011-2012 Actual	2012-2013 Council Adopted	2012-2013 Estimated	Revenue Source	2013-2014 Manager Proposed	2013-2014 Council Adopted	Change from estimated budget	
						\$	%
STATE-AID							
1,313	2,800	1,249	6003 Public Library	1,250	1,250	1	0.1%
243,497	243,780	240,475	6005 Mashantucket Pequot Fund	-	-	(240,475)	-100.0%
22,880	22,875	22,875	6006 Youth Services Bureau	22,875	22,875	0	0.0%
4,500	4,500	4,500	6007 Alcohol and Drug Abuse	4,500	4,500	0	0.0%
728,423	1,038,231	981,544	6011 Municipal Revenue Sharing	-	-	(981,544)	-100.0%
89,514	10,000	27,316	6013 Telecommunications Tax	10,000	65,937	38,621	141.4%
-	4,500	4,500	6015 Emergency Management Grant	4,500	14,610	10,110	224.7%
26,054		1,100	6016 Controlling Interest Tax	-	-	(1,100)	-100.0%
15,000	35,000	35,000	6021 Town Aid Road Grant	416,275	416,275	381,275	1089.4%
			6022 Hold Harmless Grant	561,102	561,102	561,102	***
7,227	6,907	5,167	6052 Transportation-Non-public	5,137	5,137	(30)	-0.6%
259,879	207,819	217,856	6053 Transportation-Public	-	-	(217,856)	-100.0%
31,960	31,771	34,419	6054 Adult Education	35,278	35,278	859	2.5%
1,338,406	875,000	700,000	6056 School Building Grants	325,000	325,000	(375,000)	-53.6%
16,526	16,526	23,117	6058 Health Services	16,526	16,526	(6,591)	-28.5%
26,337			6060 Special Education-Excess Costs	-	-	0	***
12,671,585	12,895,927	12,895,927	6062 Education Cost Sharing Grant	13,623,576	13,623,576	727,649	5.6%
15,483,101	15,395,636	15,195,045	SUBTOTAL	15,026,019	15,092,066	(102,979)	-0.7%
FEDERAL AID							
10,091	9,000	9,000	6101 Senior Citizen Trans Aid	9,000	9,000	0	0.0%
738,638		10,912	6113 Education Jobs Fund Program	-	-	(10,912)	-100.0%
1,457,700		129,892	6114 FEMA Assistance	-	115,000	(14,892)	-11.5%
2,206,429	9,000	149,804	SUBTOTAL	9,000	124,000	(25,804)	-17.2%



#### 6200 Miscellaneous

This category includes revenues that are not easily classified in the above revenue categories. The decrease in this category is mainly due to a one-time in the amount of \$20,000 Covanta. The other major accounts in this category are application fees from the police recruit class that offset the Town's recruitment costs and closeout of prior year purchase orders. In FY 2013-14, \$18,500 is estimated to be received from these two accounts.

#### 6300 Donations

Income for United Way (\$1,333) is shown here.

#### 7000 Transfers from Other Funds

This category represents transfers of funds to the General Fund from Other Funds. The transfer from the CNRE Fund is for reductions in the following Reserve accounts: Fenn Road Access Road \$130,000; Radio Replacement \$50,000; Traffic Signalization \$37,500; Road Reconstruction \$30,000 and Drainage Improvements \$75,000. The transfer from the Cemetery Special Revenue Fund (\$110,578) offsets operating expenses reflected in Cemeteries program #832. Transfer from Cemetery Trust Funds reflects interest earnings of \$70 from several cemetery trust funds. Transfer from Hubbard Book Fund represents interest earnings of \$30 in a Library Trust Fund and offsets the Library appropriation #730.

2011-2012 Actual	2012-2013 Council Adopted	2012-2013 Estimated	Revenue Source	2013-2014 Manager Proposed	2013-2014 Council Adopted	Change from estimated budget	
						\$	%
			MISCELLANEOUS				
782,523	28,500	28,500	6201 Other-Miscellaneous	8,500	8,500	(20,000)	-70.2%
137,323	10,000	10,000	6203 Cancelled PY Encumbrances	10,000	10,000	0	0.0%
919,846	38,500	38,500	SUBTOTAL	18,500	18,500	(20,000)	-51.9%
			DONATIONS				
2,665	1,333	1,333	6302 United Way (Human Services)	1,333	1,333	0	0.0%
2,665	1,333	1,333	SUBTOTAL	1,333	1,333	0	0.0%
			TRF FROM OTHER FUNDS				
	47,268	48,237	7001 Transfer from CNRE Fund	-	322,500	274,263	568.6%
50,496		-	7002 Transfer from Public Bldg Fund	-	-	0	***
113,009	116,270	116,270	7012 Transfer from Cemetery Fund	104,460	110,578	(5,692)	-4.9%
31	70	70	7021 Transfer From Cemetery Trust	70	70	0	0.0%
14	30	30	7022 Transfer from Hubbard Fund	30	30	0	0.0%
163,550	163,638	164,607	SUBTOTAL	104,560	433,178	268,571	163.2%
103,119,408	101,191,941	101,691,941	TOTAL	105,567,231	103,808,696	2,116,755	2.1%

FUNCTION	ACTIVITY	PROGRAM	CODE
CAPITAL IMPROVEMENTS	SUMMARY		1100

#### EXPLANATION

Summaries of FY 2013-14 capital projects are listed below and further descriptions of these projects are in a separate document, the Town's Long-Range Capital Improvements Plan FY 2013-2014 Through 2017-2018.

-----STATE AID-----

	Project Title	Department Request	CIP Committee Proposed	Town Manager Proposed	CIP Committee Proposed 2	Town Council Tentative	Town Council Adopted	LoCIP	Town Aid Roads	Public Building Fund*	Public School CIP*	General Fund Budget
General Government	General Property Improvements	100,000	110,000	110,000	110,000	110,000	110,000					110,000
	Micro Grid Electrical Installation Analysis	25,000										-
	Senior & Disabled Ctr HVAC	85,000	45,000	45,000	85,000	85,000	85,000					85,000
	Senior & Disabled Roof Repl with Extension	755,500	755,500	755,500	755,500	755,500	755,500					755,500
	Town Buildings Mechanical Reserve	35,000			35,000	35,000	35,000					35,000
	Highway Garage Emergency Generator Install.	25,000										-
	Highway Garage Building Wall Repairs	130,000										-
Public Safety	Information Technology Reserve	365,200	300,000	300,000	345,000	345,000	345,000					345,000
	Radio Replacement Reserve	40,000	40,000	40,000	40,000	40,000	40,000					40,000
	Police Records Mgmt & CAD Replacement	125,000			50,000	50,000	50,000					50,000
	Fire Co 1 Resurface Bay Floor	85,000	85,000	85,000	85,000	85,000	85,000					85,000
	Fire Co 1 Replacement Emergency Generator	41,000	41,000	41,000	41,000	41,000	41,000					41,000
Public Works	Road Resurfacing/Reconstruction	780,000	400,000	780,000	630,000	665,000	665,000	518,000	149,000			-
	Sidewalk and Stonewall Repair	50,000	25,000	25,000	50,000	50,000	50,000					50,000
	Public Building Resurfacing Program	75,000	50,000	50,000	75,000	75,000	75,000					75,000
	Single Stream Recycling Containers	111,594	111,594	111,594	111,594	111,594	111,594					111,594
	Garfield Street Realignment	500,000										-
	Landfill Conversion to Transfer Station	25,000	25,000	25,000	25,000	25,000	25,000					25,000
	Traffic Signal Repair & Replacement Reserve	25,000	25,000	25,000	25,000	25,000	25,000					25,000
Community Development	Marcap Property Acquisition	569,600	569,600	569,600	569,600	569,600	569,600					569,600
Library	Library Automated Collection Mgmt System	65,561	43,113	43,113	65,561	65,561	65,561					65,561
Parks And Recreation	Mill Pond Park Renovation Study	35,000	25,000	25,000	32,552	32,552	32,552					32,552
	Park and Playfield Improvements	100,000	50,000	50,000	100,000	100,000	100,000					100,000
Education	Appr. To Public School CIP Reserve	125,000	125,000	125,000	125,000	125,000	125,000					125,000
	School Building Security Systems				150,000	150,000	150,000	150,000				-
	NHS Code Compliance	1,500,000										-
	NHS Music Wing/Air Conditioning (Auditorium)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000			327,352	200,000	472,648
	STEM Academy JW/MK & NHS Career/Technical	1,500,000	1,500,000	1,500,000	1,200,000	1,200,000	1,200,000			3,693	196,307	1,000,000
	Anna Reynolds Driveway Exit	50,000										-
	Bus Garage Addition/Expansion	350,000										-
	Middle School Wellness Centers	300,000										-
	NHS Media Center Renovation	500,000										-
	Alumni Field Synthetic Turf	1,125,000										-
Subtotal Capital Improvements		10,598,455	5,325,807	5,705,807	5,705,807	5,740,807	5,740,807	666,000	149,000	331,045	396,307	4,198,455
Equipment Replacement	Equipment Replacement Reserve	301,948	301,948	301,948	301,948	301,948	301,948					301,948
Annual Debt Service Payments												1,475,756
GRAND TOTAL												5,976,159

\*During FY 2012-13 PSCIP will be in excess of \$450,000 limit and funds need to be returned to General Fund. Subsequently, a transfer will be required to move funds to Public Building Fund for these projects.

